

**Proposition S Monthly Controls Status Report
February 2012**

**San Diego Unified School District
Facilities Planning and Construction Division**

All Data as of January 31, 2012

Prepared for:

Independent Citizen's Oversight Committee
Facilities Planning and Construction Directors
SDUSD Chief Financial Officer

Proposition S Summary

Prop. S Percent Complete	Duration	Expended
14-Year \$2.28B Program (includes Prop. S and State Matching Funds)	21.8%	14.0%
Prop S Bond Sales Received		\$ 369,997,581
State Facility Program (Fund 35) Projected Revenue Thru June 2012		31,109,887
Projected Revenue thru June 2012		491,107,468
Total Expenditures-to-Date		321,066,280
FY 2011-2012 Planned Expenditures		117,277,117
Projected Fund Balance - June 30, 2012		52,764,071
Current Fund Balance		80,041,188

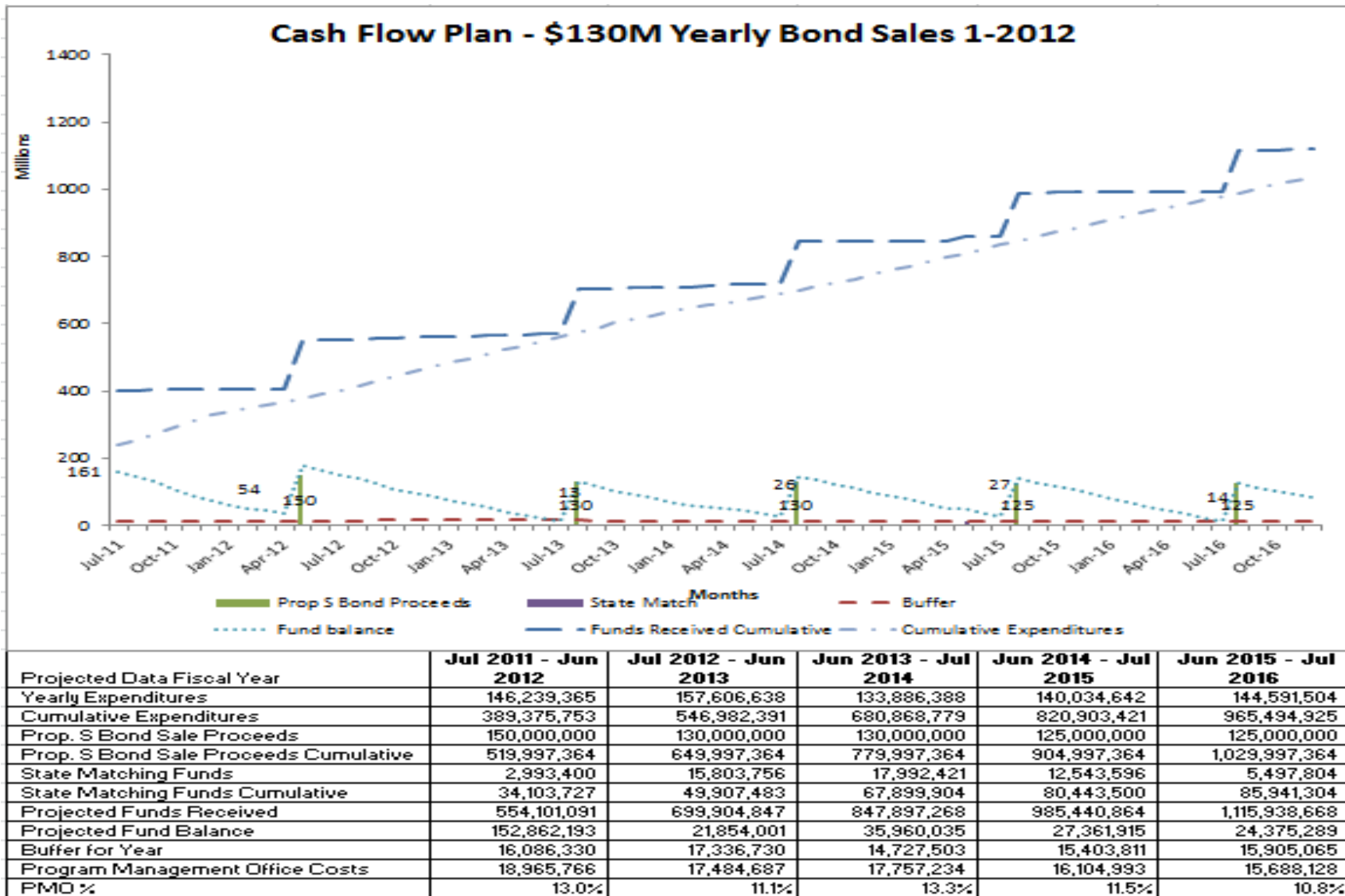
FY 2011 / 2012 Expenditures

Category	Planned Percentage (Five-Year)	Percent of Expenditures	FY Expended - to date	Current Month Expenditures	Previous Month Expenditures
Planning & Design	14.8%	14.8%	\$ 11,506,174	\$ 2,021,410	\$ 1,908,082
Construction	80.0%	79.1%	61,646,766	4,759,878	10,318,816
Program Management Office	5.2%	6.1%	4,776,952	1,535,633	589,202
Sub-Total	100%	100%	\$ 77,929,893	\$ 8,316,921	\$ 12,816,100

Prop. S Percent of Budget and Amount Obligated-to-Date	16.4%	\$ 375,396,879
Current Remaining Unobligated Balance		25,710,588

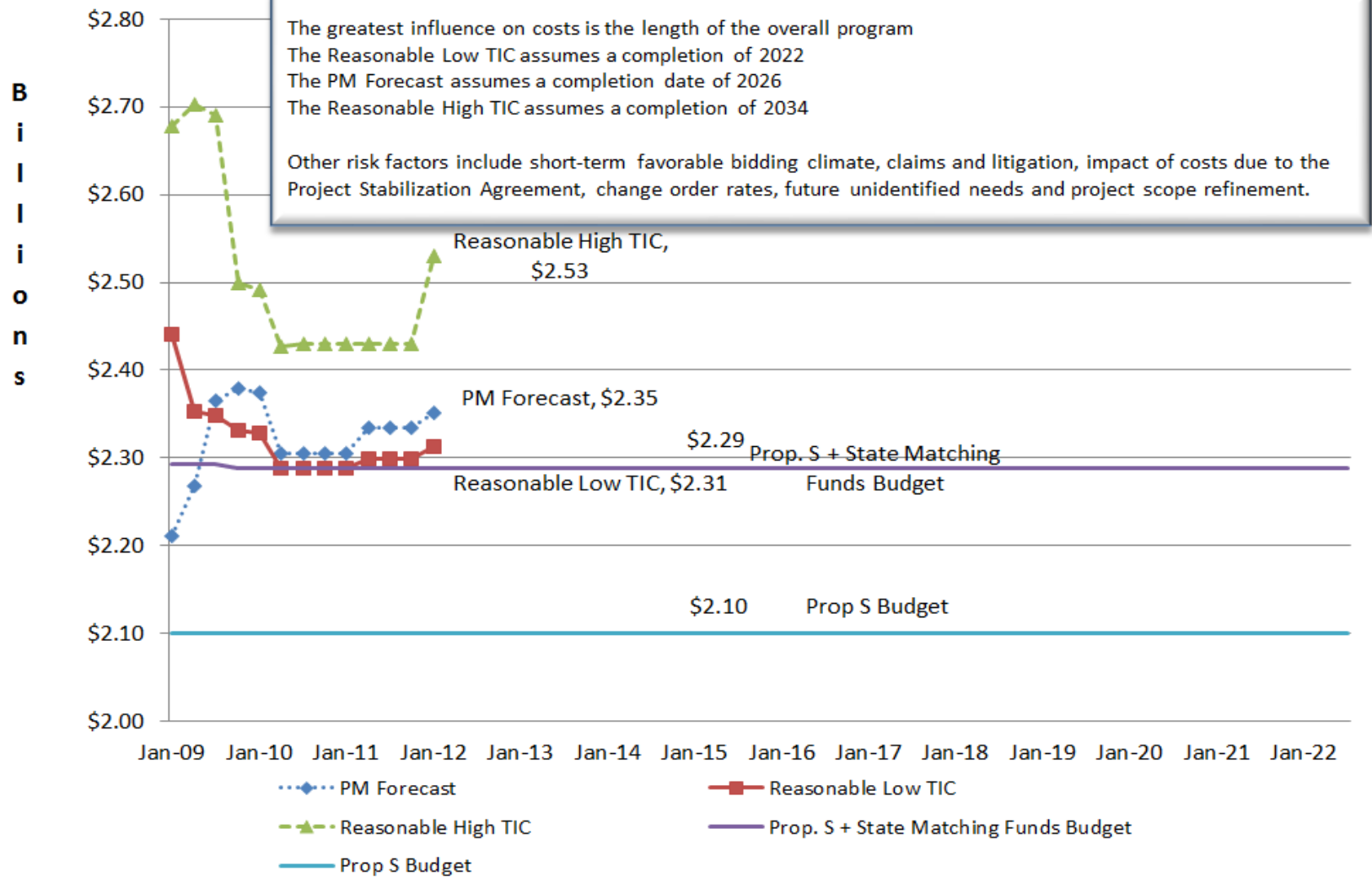
Proposition S status:

Adjusted projected Prop. S bond sales from \$145M to \$90M. Sales amount tentatively set to be determined in February 2012



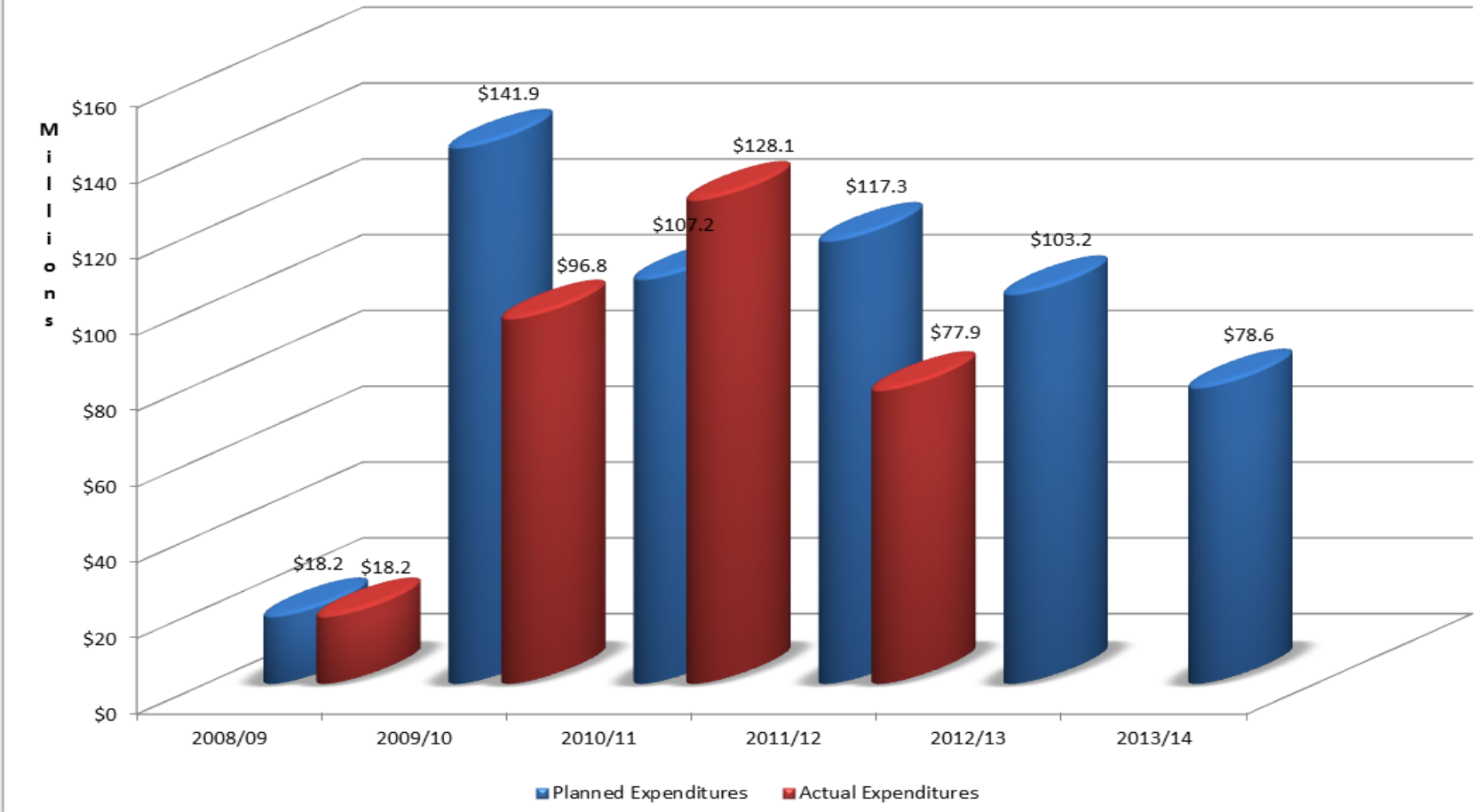
Preliminary Cash Flow Plan based upon 40-year Bond Sales. Will revise as more information is provided.

Proposition S Total Indicated Costs (TIC) Comparison



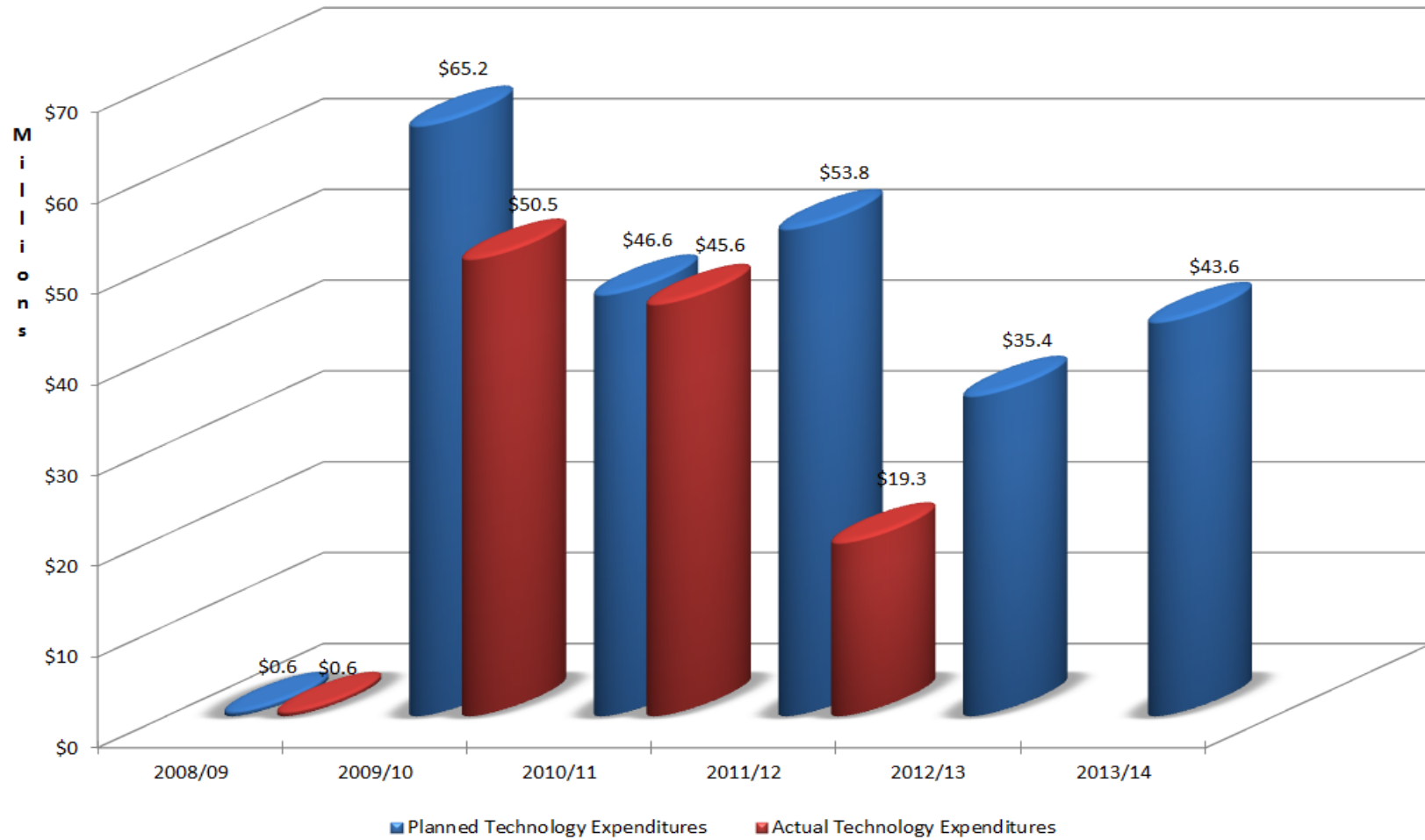
TIC risk factors will be reassessed upon clearer determination for Prop. S Bond Sales and revised implementation plan.

Proposition S - Planned vs. Actual Expenditures



Planned Expenditures shown above are adjusted based upon anticipated bid climate, change order rate and project execution plan. Planned expenditures are adjusted yearly and do not necessarily mirror the cash-flow plan shown on page 3.

Technology Program - Planned vs. Actual Expenditures

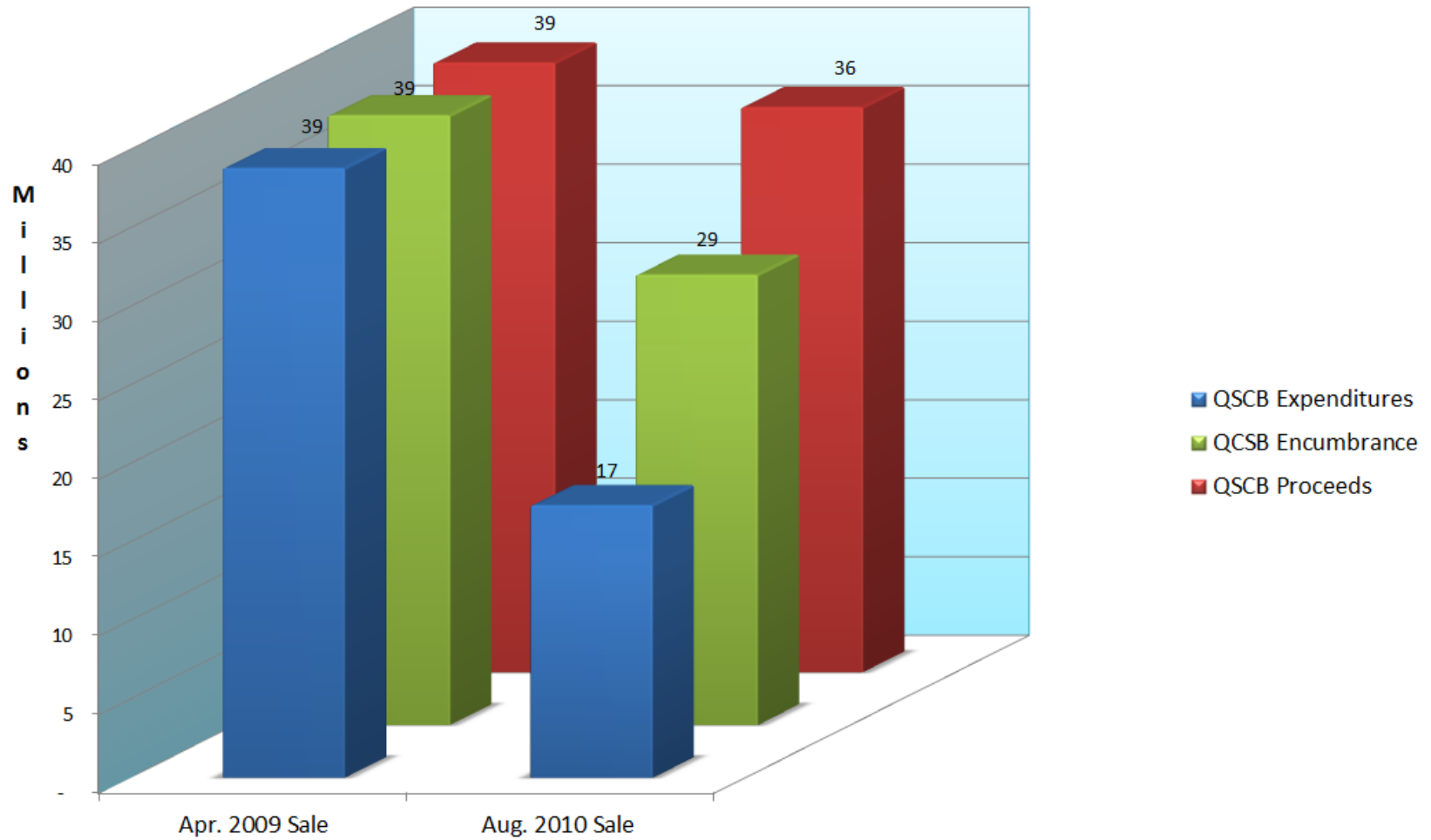


Technology Burn Rate

Current Month	Last Month
1,499,119	2,065,647

Note: E-Rate discounts are paid by the Federal Government directly to the vendor as a discount to the i-21 project and are not included in Prop. S expenditures.

Qualified School Construction Bonds (Zero Interest)



Engineering News Record’s (ENR) most recent Construction Cost Index, Building Cost Index, Materials Cost Index, which are updated monthly. Tables include monthly and annual percent changes. The indices base of 100 started in 1913 and are based upon costs at 20 cities throughout the United States. More information is available at ENR.Com. ENR’s most recent data is shown here.

Trends

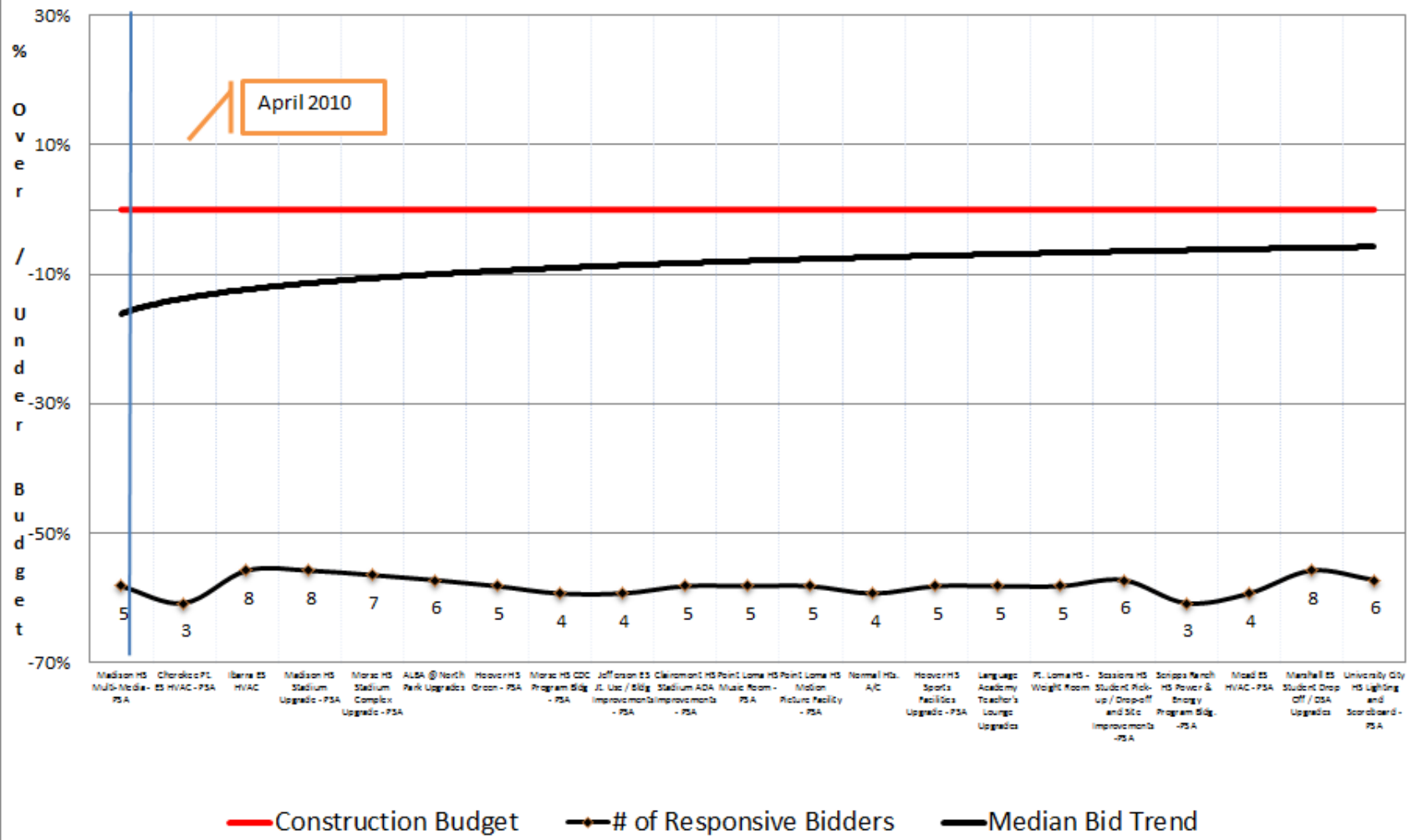
		20-CITY:	Feb-12	% change	% change
		1913 = 100	Index Value	Month	Year
Construction Cost Index (CCI)	The annual escalation rate of the CCI increased slightly to 2.2%.	Construction Cost	9198.3	0.2	2.2
		Common Labor	19536.6	0.3	2.1
		WAGE \$/HR.	37.1	0.3	2.1
Builder Cost Index (BCI)	Building cost inflation, tracked by the BCI, fell to 2.9% this month from 3.2% last month.	20-CITY:	Feb-12	% change	% change
		1913 = 100	Index Value	Month	Year
		Building Cost	5121.5	0.0	2.3
		Skilled Labor	8819.6	0.2	2.0
		WAGE \$/HR.	49.0	0.2	2.0
Material Cost Index (MCI)	A 0.4% increase in steel prices offset monthly price declines for cement and lumber prices.	20-CITY:	Feb-12	% change	% change
		1913 = 100	Index Value	Month	Year
		Materials	2861.9	-0.1	2.7
		CEMENT \$/TON	106.4	1.0	3.7
		STEEL \$/CWT	49.4	0.0	5.1
		LUMBER \$/MBF	386.6	-0.8	-3.8

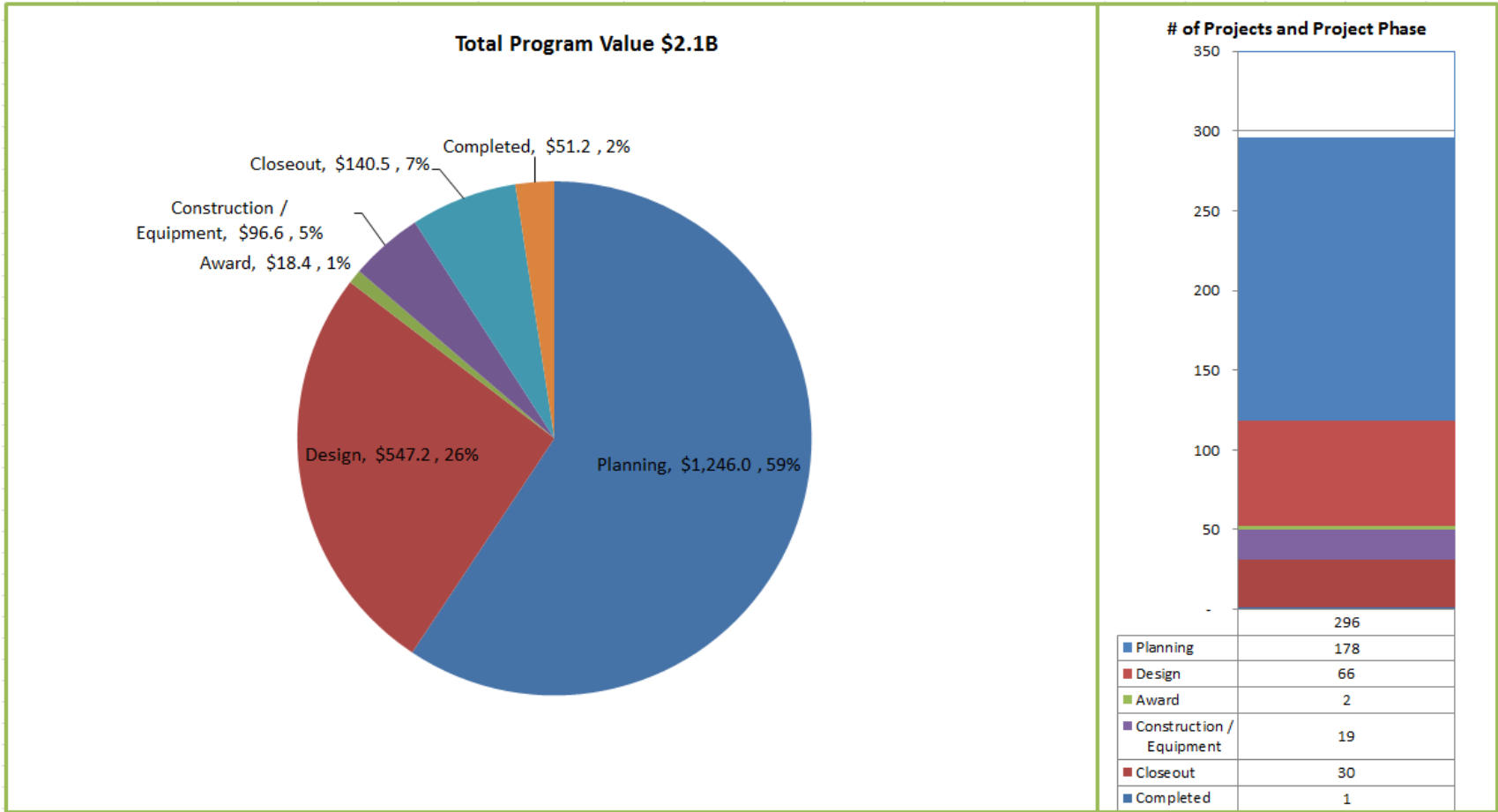
- The Common Labor Index is the labor component of ENR’s Construction Cost Index and tracks the union wage, plus fringe benefits, for laborers.
- The Skilled Labor Index is the labor component of ENR’s Building Cost Index and tracks union wages, plus fringe benefits, for carpenters.

Overall Impacts

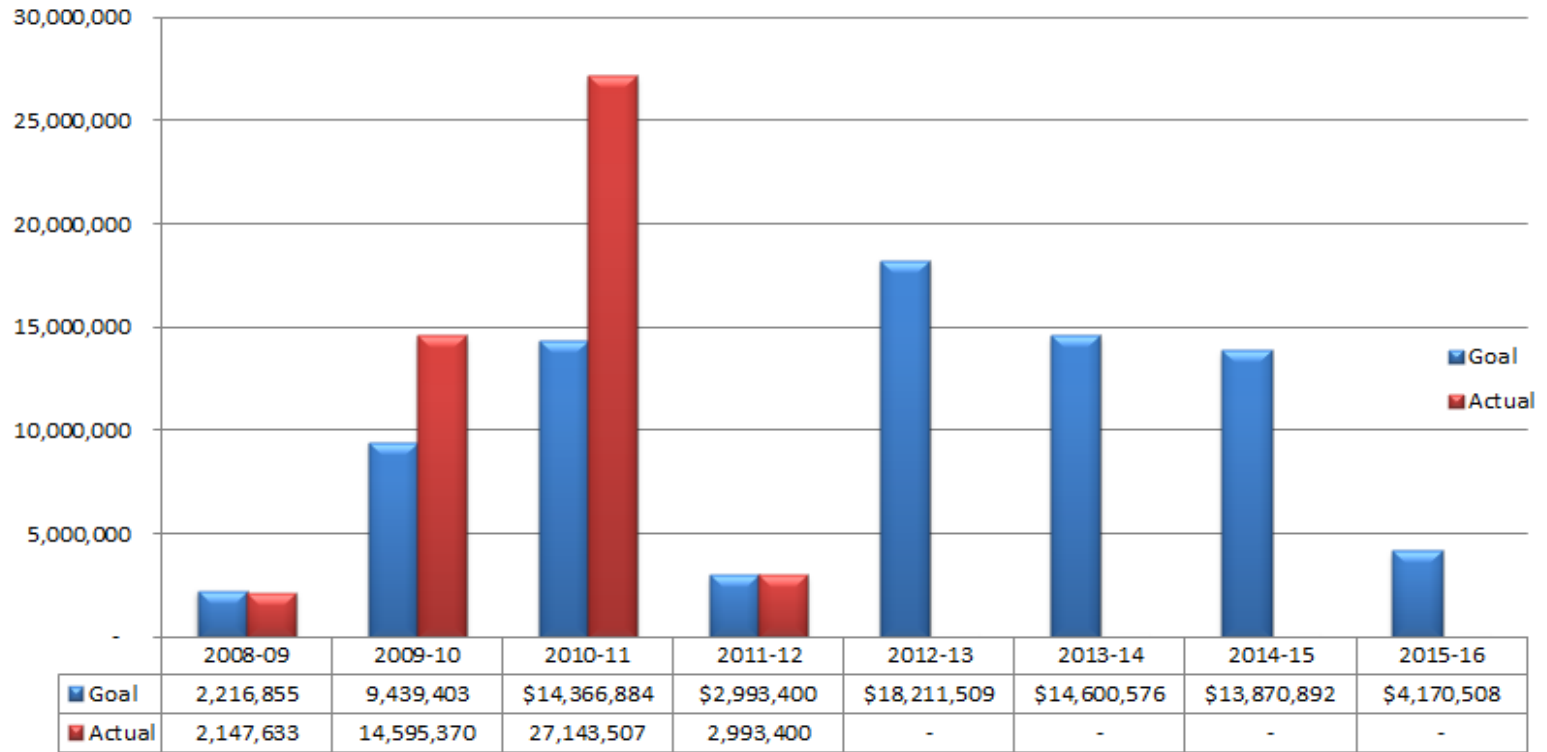
- The CCI increased slightly, while the BCI held steady and the MCI decreased slightly over the last month. The MCI increase over the last year is 2.7%.
- SDUSD FPC is currently applying a 1.8% escalation factor for our internal construction estimates. The Office of Public School Construction is applying 4.28% per the Marshall and Swift CCI. San Diego material costs are seen as lagging the national trend and prevailing labor rates have not been adjusted.
- Over the last year SDUSD construction projects were awarded at 6.4% less than the budget — now less than the expected 10% - 30% range. One year ago projects were awarded at 23% less than the budget. One year ago the median of bids to budget was - 18% of budget and is now -6%.

This chart measures general contractor construction bids as a percentage of the construction budget. Since November 2009, the median of bids has increased by 16% indicating that construction costs are on the rise.





State Fund Application Goals / Actual Receipts



Due to the possibility that costs will not meet the estimated costs, some money may need to be returned to the state. The yearly goal for 2010-11 was reduced accordingly. Yearly goals have been revised due to the increased risk for bond sales due to the uncertain financial health of the state.

The Office of Public Schools Construction has increased grant amounts by 4.28% reflecting increases in construction costs in California.

**Kearny H.S. Construction Tech Academy
First Prop. S Project**



**Crown Point Jr. Music Academy
Last Scheduled Prop. S Project**

